

EX PARTE OR LATE FILED DOCKET FILE COPY ORIGINAL

LAW OFFICES
HALEY, BADER & POTTS

4350 NORTH FAIRFAX DR., SUITE 900

ARLINGTON, VIRGINIA 22203-1633

TELEPHONE (703) 841-0606

FAX (703) 841-2345

POST OFFICE BOX 19006

WASHINGTON, D.C. 20036-9006

TELEPHONE

(202) 331-0606

MELODIE A. VIRTUE

RECEIVED

FEB 25 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

February 25, 1994

OUR FILE NO.
1108-101-63

Mr. William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

Re: Written and Oral *Ex Parte* Presentations in
PP Docket No. 93-253
Competitive Bidding

Dear Mr. Caton:

Pursuant to Section 1.1206(a)(1) and (2) of the Commission's Rules, this is to provide an original and one copy of a notice of written and oral *ex parte* presentations made in the above-referenced rulemaking proceeding by the undersigned and Dennis Henry, Peggy Winston, and Frank Frey II, representatives of The Eagle Group. On February 22, 1994, we met with Karen Brinkmann of Chairman Hundt's office. She asked us to supply additional information which was faxed to her by Peggy Winston's office on February 23, 1994, a copy of which is attached.

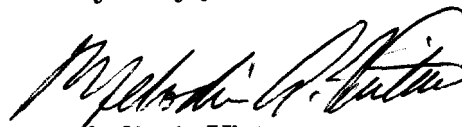
On February 23, 1994, we also met with Brian Fontes of Commissioner Quello's office, Byron Marchant of Commissioner Barrett's office, and with FCC General Counsel William E. Kennard. The subject of all of those meetings was to urge the FCC to exclude the licensing of Interactive Video Data Services ("IVDS") from spectrum auctions and to grandfather the licensing of IVDS through lotteries.

No. of Copies rec'd 041
List A B C D E

Mr. William F. Caton
February 25, 1994
Page 2

Should there be any further questions regarding this matter, kindly communicate directly with this office.

Very truly yours,



Melodie A. Virtue

Enclosure

cc(w/enc):

Karen Brinkmann
Brian Fontes
Byron Marchant
William E. Kennard

MAV/blr

February 23, 1994

Miss Karen Brinkman
Special Assistant to
Chairman Hundt
The Federal Communications Commission
1919 M. Street
Washington, D.C. 20554

Dear Miss Brinkman:

On behalf of my colleagues and staff I extend to you my sincere thanks for the warm reception you accorded us, particularly when we know how busy you are.

In response to the queries you posed yesterday I requested my office to respond to them as quickly as possible. Please recognize that more detailed comments can be provided in the near future should you deem it necessary.

Sincerely,

Peggy Winston

PW-knp

Signed by *Kiana Bristol*
on behalf of Peggy Winston

1) If IVDS licenses are awarded by lottery;

- A. How can the FCC ensure that minorities, women, small businesses, and rural telephone companies have wins or receive a fair share of the service areas?

Comments: Applicants under this category must file a financial disclosure giving the identity of any person (or business entity) connected financially with the applicant. A rule must be instituted which makes it imperative on any person (including business entities) lending or supporting an applicant in this category to disclose the relationship. All violators should be prosecuted under federal law relating to perjury or racketeering. To assure wins by minority applicants, the FCC can select by random process a percentage, say 25%, of the markets solely for minority, with only a maximum of two wins each.

- B. How can the FCC be sure that if the above mentioned groups receive these licenses they will be able to finance the rapid deployment of the technology as required by Congress?

- C. In what ways can the FCC assist in financing the building of systems?

Comments: The federal government has created The Small Business Administration (SBA) to help small businesses financially. It is believed that the government can establish a division of the SBA to handle the financing, if required. It is further believed that the government can induce the banking industry to set aside certain financing programs to help the IVDS minority applicant. It is imperative that all minority applicants have sound business plans established to warrant the financial assistance.

- D. In what time frame do you think minorities etc., can make their IVDS systems operable?

Comments: It is expected that minority applicants would be able to abide by the FCC benchmarks. Small businesses can be more efficient than big businesses due to reduced bureaucracy and presence of hands on management.

- a) Is there sufficient time to expect the technology to still be effective against other options?

Comments: Wireless technologies have attained significant advances that can match any wire technology including fiber-optics. The reduced cost of providing wireless IVDS to the consumer should make it preferable.

- E. What kind of preferences would minorities benefit from in a lottery process?

Comments: The essential ingredient is to allocate some markets (regardless by what means) for the group of minority applicants. The fact that random selection determines the selected from the group is the ultimate benefit.

- F. When would minorities etc., like to see licenses awarded?

Comments: We would like to see the lotteries begin in the summer of 94. We need to get started to compete with the other technologies. We believe that our service combined with the Hughes DBS network will be a major force to compete with cable and the telephone companies.